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BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF WASHINGTON

In the Matter of the Application
regarding the Conversion and
Acquisition of Control of Premera Blue
Cross and its Affiliates.

No. G 02-45

TWENTY-FIFTH ORDER: ORDER
EXTENDING CASE SCHEDULE

PREMERA and Premera Blue Cross (“Premera”) and the OIC Staff , on January 8, 2004, jointly moved for an additional extension of the case schedule to permit Premera the opportunity to amend its Form A filing. The current schedule required Premera to file any amendments by January 8, 2004. Although Premera was prepared to file a version of an amended Form A on that date, Premera has not completed discussions with the OIC Staff regarding possible amendments. Premera and the OIC Staff have represented that additional time to consider amendments would be beneficial.

A hearing was held at the Office of the Insurance Commissioner on January 9, 2004, at which all parties were present. In order to allow for the hearing, I granted Premera a one-day extension under the current schedule, which was agreed to by the other

TWENTY-FIFTH ORDER:
ORDER EXTENDING CASE
SCHEDULE 1

parties. I have reviewed the motion and heard from the parties. The Interveners do not object to the proposed extension. The case schedule set forth is modified as follows:

<u>Deadline</u>	<u>Action</u>
February 5, 2004	Premera files amendments to its Form A, if any, with the OIC. Amendments that may be filed will be considered within the current review process and will not start a new Form A process.
February 27, 2004	Previously identified testifying experts of the OIC Staff may submit supplemental reports addressing the effect of changes, if any, in the Form A. Interveners will receive reports and treat them as AEO under the Protective Order until redacted versions are available. Redactions will be completed within one week. Within four days after the deadline for reports, the OIC Staff will produce all documents relied upon by consultants in preparing their supplemental reports to Premera and the Interveners.
March 5, 2004	Previously identified testifying experts of Premera may submit supplemental reports addressing the effect of changes, if any, in the Form A. Interveners will receive reports and treat them as AEO under the Protective Order until redacted versions are available. Redactions will be completed within one week. Within four days after the deadline, Premera will produce all documents relied upon by its consultants in preparing their supplemental reports to the OIC Staff and the Interveners.
March 12, 2004	Previously identified testifying experts of the Interveners may submit supplemental reports addressing the effect of changes, if any, in the Form A. This is also the last day for the Interveners to submit document requests (if any), limited to changes (if any) in the Form A. Within four days after this deadline, the Interveners will produce all documents relied upon by their consultants in preparing their supplemental reports to Premera and the OIC Staff. Redactions of the supplemental reports of the Interveners' experts will be completed by March 19, 2004.
March 16, 2004	Disclosure of new fact witnesses by Interveners (may not be OIC Staff or Premera-related)
March 22, 2004	Notwithstanding the discovery cutoff of December 5, 2003, the parties may depose experts who have submitted supplemental reports on the subject matter of those supplements and ask for documents, if any, related to changes in the Form A. If ADI experts are allowed to testify or their reports are allowed to be submitted, this deadline will apply to their depositions as well.

TWENTY-FIFTH ORDER:
ORDER EXTENDING CASE
SCHEDULE 2

March 31, 2004	Parties submit pre-filed direct testimony
April 15, 2004	Parties submit pre-filed responsive testimony
May 3 – 18, 2004	Hearing
May 28, 2004	Deadline for post-hearing submissions
July 19, 2004	Commissioner's decision

Except as expressly modified by the foregoing, the case schedule set forth in the Thirteenth Order shall remain unchanged.

At any meeting that takes place between December 11, 2003 and February 5, 2004 between the OIC Staff and Premera to discuss concerns raised by the OIC Staff or its consultants with respect to Premera's Form A Statement, the Interveners will have observation rights—that is, one representative of the Interveners' counsel may be present during that meeting. The OIC Staff and Premera will also share with the Interveners' counsel contemporaneously all e-mail and documents exchanged between them between December 11, 2003 and February 5, 2004 that relate to this matter. The Interveners shall treat all such discussions, e-mail, and documents as AEO.

The Commissioner authorizes his counsel, together with Premera's counsel, to propose and file a stipulated modification of the Stipulation of Parties and Final Order entered by Judge Casey on September 12, 2003, to provide an extension of the decision

TWENTY-FIFTH ORDER:
ORDER EXTENDING CASE
SCHEDULE 3

1 deadline to July 19, 2004. The Special Master is directed to modify his Procedural Order
2 (dated December 19, 2003) and extend the deadlines therein consistent with this Order.
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4 **IT IS SO ORDERED**, this 9th day of January, 2004.
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10 MIKE KREIDLER
11 INSURANCE COMMISSIONER
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